



Australian Citizens Party

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MEDIA RELEASE

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Sterling First victim speaks out: 'I didn't give in to cancer; I'm not going to give in to this government!'

The Citizens Party's *Citizens Insight* YouTube program has interviewed Western Australian retiree Beryl Taylor, who is one of 140 retirees and pensioners who face losing their homes from the collapse of Sterling First. Beryl is speaking out to expose the failings of the corporate regulator ASIC (Australian Securities and Investments Commission), in her ongoing fight for justice.

Click here to watch: [CITIZENS INSIGHT—The fight for justice for Sterling First Victims—Beryl Taylor](#)

Beryl and her husband Ray are retirees who first heard about Sterling through an advertisement in the *Sunday Times* in January 2016. They were looking to downsize their home, and Sterling's rent-for-life offer was a financially attractive option compared to the expense of a retirement village.

Prime Minister Scott Morrison and Australia's financial authorities sanctimoniously preach the doctrine of *caveat emptor*—Latin for "let the buyer beware". The way the Morrison government chooses to interpret this doctrine is: if you are ripped off, it's your own fault. At best though, it means do your due diligence.

Beryl did. She had no interest in investing in a scheme; in fact, so averse to the investing world was she that she had turned down an employee share offer in her last job. She simply wanted to pay a lump sum as up-front rent for the rest of her life. So as part of her due diligence, Beryl searched the registers of ASIC, and called the regulator to ask if there were any red flags about Sterling. What did she find? Nothing. ASIC advised her it had no concerns about the company.

Beryl and Ray then sold their home and travelled Australia for a year, after which they signed up to Sterling. Like the other 140 elderly people targeted by Sterling for their \$250,000-\$300,000 in life savings, Beryl and Ray paid Sterling a lump sum as up-front rent for the rest of their lives. The home was in a new development in Ravenswood and was owned by Acquest, a Sterling Group subsidiary headed by Ryan Jones, the son of Sterling founder Ray Jones.

What Beryl and Ray did not know when they signed up was that Ray Jones had only been discharged from bankruptcy in 2015, the year he started Sterling First, and that he had been involved in other financial scandals in which mum-and-dad investors lost millions. If they had known that, they would never have signed up.

They also didn't know that ASIC had received complaints about Sterling starting in 2015, as later discovered by Denise Brailey, founder of the Banking and Finance Consumers Support Association and advocate for Sterling victims. If they had known *that*, they would never have signed up.

And they didn't know that Sterling First was in fact a convoluted managed investment scheme, and that the sign-up process was a cleverly orchestrated fraud. For instance, Sterling victims were told their money was going to be held in a trust, but this was false—the bank account had simply been named the "Sterling Income Trust". Twenty-one days after signing, Beryl and Ray received a large bundle of paperwork. Sterling's Product Disclosure Statement (PDS), a legally required document disclosing risks to investors, was cleverly concealed in the bottom of the pile as glossy promotional material. It later emerged ASIC's lawyers had assisted Sterling's directors to develop their PDS in 2015-16.

If they had known any of this, they would never have signed up.

They didn't know because ASIC—which did know—didn't warn them, or even inform them!

Beryl, who has had to fight cancer throughout this ordeal, is speaking out on behalf of all Sterling victims, who were abandoned by ASIC when they signed up, and have been abandoned by the government and their local Members of Parliament since the scheme collapsed. These are older people who face eviction from their homes, but they cannot start over again. In desperation, some are fighting their landlords in court, to uphold the legality of their leases, but some landlords are victims too.

Continuing to abandon the victims and forcing them into the courts is no solution—the government

must own up to the consequences of the regulator's failings, and compensate the victims so they aren't thrown out on the streets.

The Sterling First victims are calling for a Senate inquiry into Sterling First, and for a royal commission into ASIC. Even before a royal commission, however, any Senate inquiry into Sterling First must include ASIC's failings, and its ongoing weakness as a regulator which allows the banks and financial predators to keep getting away with ripping off Australians.

An article on Sterling First can never do justice to the story. Listen to Beryl's firsthand account of the experience, and support the fight for justice for the victims, and an inquiry that can expose the truth and lead to the overhaul of the financial system that Australia desperately needs.

Click here to watch: [CITIZENS INSIGHT—The fight for justice for Sterling First Victims—Beryl Taylor](#)

Click here to sign the petition:

[An Australia Post 'people's bank'—a win-win solution for the nation](#) (A public bank that can break the monopoly of the Big Four banks, and the influence they have on the government and regulators, is essential to cleaning out the financial system.)